

RMC SWITCHGEARS LIMITED**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING
BY ITS DESIGNATED PERSONS**

Introduction

With a view to govern the conduct of insiders on matters relating to insider trading, the Securities and Exchange Board of India (SEBI) has formulated Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as ‘the Regulations’) as amended.

Sub-Regulation (1) of Regulation 9 inter alia, requires all listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its designated persons and relatives of designaged persons towards achieving compliance with these Regulations. Accordingly, RMC Switchgears Limited (the “Company”) has introduced a Code of Conduct to Regulate, Monitor and Report Trading by its Designated Pesons (the “Code”).

I. Important Definitions

- (a) “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992) (including any amendment or re-enactment thereof).
- (b) “Board” means the Securities and Exchange Board of India;
- (c) “Compliance Officer” means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be.
- (d) “Connected Person” means—
 - (i) any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established -
- (a) a relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
 - (i) a banker of the company; or
 - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent of the holding or interest; or
 - (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
 - (l) a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d).

The following person shall also be deemed to be connect persons:

- i. Auditors of the Company including Statutory, Secretarial & Internal Auditors;
 - ii. Advisor/Consultants relating to finance, banking, secretarial, Stock Options and securities laws;
 - iii. Persons having business relationship with the Company;
 - iv. Any other person decided by the Board of Directors/MD/Compliance Officer.
- (e) "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media;
- (f) "Insider" means any person who is:
- (i) a connected person; or
 - (ii) in possession of or having access to unpublished price sensitive information;
- (g) "Promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

- (h) “relative” shall mean the following:
 - (i) spouse of the person;
 - (ii) parent of the person and parent of its spouse;
 - (iii) sibling of the person and sibling of its spouse;
 - (iv) child of the person and child of its spouse;
 - (v) spouse of the person listed at sub-clause (iii); and
 - (vi) spouse of the person listed at sub-clause (iv).
- (i) "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.
- (j) "Trading" means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- (k) “Trading Day” means a day on which the recognized stock exchanges are open for trading.
- (l) "Unpublished Price Sensitive Information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –
 - i. financial results;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
 - v. Changes in key managerial personnel.

Words and expressions used and not defined in this Code but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

II. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

Reporting

1. The Compliance Officer shall report to the Board of Directors (“Board”) and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board at such frequency as may be stipulated by the Board but not less than once in a year.

Information on a Need to Know Basis & Chinese Wall Procedures

2. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Norms for appropriate Chinese Walls procedures and processes for permitting any designated person to “cross the wall” are as under-

- i. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered as “inside areas” from those areas which deal with sale/marketing/investment advise or other departments providing support services, considered “public areas”.
- ii. The employee in the inside area shall not communicate any price sensitive information to any one in public area.
- iii. The employee in inside area may be physically segregated from employees in public area.
- iv. Demarcation of the various departments as inside area may be implemented by the Company.
- v. In exceptional circumstances employees from the public areas may be brought “over the wall” and given confidential information on the basis of “need to know” criteria, under intimation to the Compliance Officer.
- vi. Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc. All Designated Persons must maintain the confidentiality of all UPSI coming into their possession or control.

Designated Persons

3. Designated persons and immediate relatives of designated persons in the organisation shall be governed by an internal code of conduct governing dealing in securities.

Trading Window

4. Designated persons may execute trades subject to compliance with these Regulations. Towards this end, a notional trading window shall be used as an instrument for monitoring trading by the designated persons. The trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their relatives shall not trade in securities when the trading window is closed.
5. Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.
6. The Trading window restrictions mentioned in (4) above shall not apply in respect of –
 - (a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of the SEBI (PIT) Regulations, 2015 and in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the Board;
 - (b) transactions which are undertaken in accordance with respective regulations made by the Board such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by the Board from time to time.
7. The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
8. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

Pre-Clearance & Trades

9. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trade(s) is above a minimum threshold limit of Rs. 10,00,000/- (Rupees Ten Lakh) in value over any calendar quarter, or such other limits as the Board may stipulate. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in

possession of unpublished price sensitive information even if the trading window is not closed.

10. Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
11. Time frame for execution of trade in respect of pre-cleared securities shall be done within seven (7) trading days after approval is granted by the Compliance Officer, failing which fresh preclearance would be needed for the trades to be executed.
12. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. In the event, any such contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

13. Disclosure

A. Initial Disclosures of Holdings

Every promoter, key managerial personnel and director of the Company shall disclose (as per Form A) his holding of securities of the Company as on the date of these Regulations taking effect, to the Company within thirty (30) days of these Regulations taking effect.

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose (**as per Form A**) his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven (7) days of such appointment or becoming a promoter.

B. Continual Disclosures of Trades

Every promoter, designated person and director of the Company shall disclose to the Company (**as per Form B**) the number of such securities acquired or disposed of within two (2) trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten lakh) or such other value as may be specified.

The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.

C. Other formats/disclosures, to monitor compliance with these Regulations would be as under-

- Application-cum-undertaking for pre-clearance (*as per Form C*)
- Reporting of holdings in securities by Designated Persons as on 31 March, on an annual basis by 10 April (*as per Form D*)

D. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

- a) relatives
- b) persons with whom such designated person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them.

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

14. Penalty for Contravention of Code of Conduct

Any Designated Persons and their relatives, contravening the Code will be liable to penalty and appropriate disciplinary action including remuneration freeze, suspension, dismissal, recovery, etc. as may be imposed, by the listed company by the specific committee in consultation with the Compliance Officer. Any amount collected under this clause shall be remitted to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Act.

In case it is observed by the Listed company that there has been a violation of these regulations, it shall promptly inform the stock exchange(s) where the concerned securities are traded in such form and such manner as specified by the Board from time to time.

15. Principal of Fair Disclosure and Handling of Unpublished Price Sensitive Information

The Company shall adhere to the following practices and procedures to ensure timely and adequate disclosure of Unpublished Price Sensitive Information:

- a) Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- b) Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
- c) Designation of a senior officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

- d) Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e) Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- f) Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
- g) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
- h) Handling of all unpublished price sensitive information on a need-to-know basis.

16. Policy for Determination of ‘Legitimate Purpose’

- (i) Unpublished Price Sensitive Information (UPSI) in connection with the Company or its Securities may be communicated or provided / allowed access to, only where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (ii) The ‘Legitimate Purpose’ shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with Government Agencies/Authorities, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- (iii) A person in receipt of Unpublished Price Sensitive Information pursuant to a legitimate purpose shall be considered as an insider for the purpose of this code and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- (iv) The agreements entered into involve sharing of UPSI should have a “confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.
- (v) The information shall be shared with any person on ‘need to know’ basis.

17. Applicability of the Code to Certain Persons

The Regulations apply to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In case it is observed by such persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these Regulations, they shall inform SEBI promptly, with a copy to the Company.

18. Institutional Mechanism for Prevention of Insider trading

- (i) The Chief Executive Officer, Managing Director or such other analogous person of the company, shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.
- (ii) The internal controls shall include the following:
 - a) all employees who have access to unpublished price sensitive information are identified as designated persons;
 - b) all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;
 - c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
 - d) lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
 - e) all other relevant requirements specified under these regulations shall be complied with;
 - f) periodic process review to evaluate effectiveness of such internal controls
- (iii) The board of directors of the company shall ensure that the Chief Executive Officer or the Managing Director or such other analogous person ensures compliance with regulation 9 and sub-regulations (1) and (2) of this regulation.
- (iv) The Audit Committee of the Company shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- (v) The company shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the company and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.
- (vi) The company shall have a whistle-blower policy and make employees aware of such policy to enable Employees to report instances of leak of unpublished price sensitive information.
- (vii) If an inquiry has been initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the company in connection with such inquiry conducted by listed company.

***Policy has been reviewed and approved at the Board Meeting held on 20th May, 2025**